



STATE OF MARYLAND

**DHMH**

PT 7-07

Office of Health Services  
Medical Care Programs

**Maryland Department of Health and Mental Hygiene**

201 W. Preston Street • Baltimore, Maryland 21201

Robert L. Ehrlich, Jr., Governor – Michael S. Steele, Lt. Governor – S. Anthony McCann, Secretary

**MARYLAND MEDICAL ASSISTANCE PROGRAM**

**Managed Care Organization Transmittal No. 61**

**August 11, 2006**

**TO:** Managed Care Organizations

**FROM:** Diane Herr   
Office of Health Services

**NOTE:** Please ensure that the appropriate staff members in your organization are informed of the contents of this transmittal

**RE:** Proposed Amendments to HealthChoice Regulations

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**ACTION:**  
Proposed Regulations

**EFFECTIVE DATE:**  
Requested July 1, 2006 effective date

**WRITTEN COMMENTS TO:**  
Michelle Phinney  
201 W. Preston St., Rm. 538  
Baltimore, MD 21201  
Fax (410) 767-6483 or call  
(410) 767-6499 or  
1-877-4MD-DHMH extension 6483

**PROGRAM CONTACT:**  
Amy Gentile, Chief  
Division of HealthChoice Management and  
Quality Assurance  
(410) 767-1482 or call  
1-877-4MD-DHMH extension 1482

**COMMENT PERIOD EXPIRES: September 5, 2006**

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The Maryland Medical Assistance Program is promulgating proposed amendments to Regulation .19 under COMAR 10.09.65 Maryland Medicaid Managed Care Program: Managed Care Organizations. The amendment will implement the July 2006 MCO capitation rates.

A copy of the proposed amendments as published in the Maryland Register is attached.

Attachment



- (a) Section C-[Planning and] Site Design — \$250;
- (b) (text unchanged)
- (4) For the December, 2007, examination:
  - (a) Section C-[Planning and] Site Design — \$260;
  - (b) (text unchanged)
- (5) For the June, 2008, examination:
  - (a) Section C-[Planning and] Site Design — \$260;
  - (b) (text unchanged)
- D. An applicant for the licensing examination shall pay the following examination fees directly to CLARB, as these fees are established by CLARB:
  - (1) [For the April, 2006, examination:
    - (a) Section A — Legal and Administrative Aspects of Practice — \$75;
    - (b) Section B — Analytical Aspects of Practice — \$110;
    - (c) Section D — Structural Considerations and Materials and Methods of Construction — \$185;
  - (2) For the October, 2006, examination:
    - (a) Section A — [Legal and Administrative Aspects of Practice — ] *Project and Construction Administration* — \$80;
    - (b) Section B — [Analytical Aspects of Practice — ] *Inventory, Analysis, and Program Development* — \$115;
    - (c) Section D — [Structural Considerations and Materials and Methods of Construction — ] *Design and Construction Documentation* — \$190;
  - (3) (2) For the March, 2007, examination:
    - (a) Section A — [Legal and Administrative Aspects of Practice — ] *Project and Construction Administration* — \$80;
    - (b) Section B — [Analytical Aspects of Practice — ] *Inventory, Analysis, and Program Development* — \$115;
    - (c) Section D — [Structural Considerations and Materials and Methods of Construction — ] *Design and Construction Documentation* — \$190.
  - (4) (3) For the September, 2007, examination:
    - (a) Section A — [Legal and Administrative Aspects of Practice — ] *Project and Construction Administration* — \$80;
    - (b) Section B — [Analytical Aspects of Practice — ] *Inventory, Analysis, and Program Development* — \$115;
    - (c) Section D — [Structural Considerations and Materials and Methods of Construction — ] *Design and Construction Documentation* — \$190.
  - (5) (4) For the March, 2008, examination:
    - (a) Section A — [Legal and Administrative Aspects of Practice — ] *Project and Construction Administration* — \$85;
    - (b) Section B — [Analytical Aspects of Practice — ] *Inventory, Analysis, and Program Development* — \$115;
    - (c) Section D — [Structural Considerations and Materials and Methods of Construction — ] *Design and Construction Documentation* — \$195.
  - (6) (5) For the September, 2008, examination:
    - (a) Section A — [Legal and Administrative Aspects of Practice — ] *Project and Construction Administration* — \$85;
    - (b) Section B — [Analytical Aspects of Practice — ] *Inventory, Analysis, and Program Development* — \$115;

(c) Section D — [Structural Considerations and Materials and Methods of Construction — ] *Design and Construction Documentation* — \$195.  
 E. — K. (text unchanged)

CHARLES E. BAILEY  
 Chairman

Board of Examiners of Landscape Architects

## Title 10 DEPARTMENT OF HEALTH AND MENTAL HYGIENE

### Subtitle 09 MEDICAL CARE PROGRAMS

#### 10.09.65 Maryland Medicaid Managed Care Program: Managed Care Organizations

Authority: Insurance Article, §15-605; Health-General Article, §§2-104 and 15-103;  
 Annotated Code of Maryland;  
 Ch. 202 and 203, Acts of 2003

#### Notice of Proposed Action [06-206-P]

The Secretary of Health and Mental Hygiene proposes to amend Regulation .19 under **COMAR 10.09.65 Maryland Medicaid Managed Care Program: Managed Care Organizations**.

#### Statement of Purpose

The purpose of this action is to implement the July 2006 MCO rates.

#### Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

#### Estimate of Economic Impact

**I. Summary of Economic Impact.** A rate increase of \$10,773,090 for the first six months of fiscal year 2007 is due to trend changes for inpatient and outpatient hospitals, and the Medicaid physician fee increase.

II. Types of Economic Impact	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	(E+)	\$10,773,090
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:	(+)	\$10,773,090
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

#### III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A. Rate increase of \$10,773,090 is due to trend changes for inpatient and outpatient hospitals, and the physician fee increase. This is calculated by comparing the previous expected payments of

\$1,711,426,910 in calendar year 2006 against the current expected payments of \$1,722,200,000 in calendar year 2006.

D. There will be a positive impact on the MCOs due to the MCO rate increase.

**Economic Impact on Small Businesses**

The proposed action has minimal or no economic impact on small businesses.

**Impact on Individuals with Disabilities**

The proposed action has no impact on individuals with disabilities.

**Opportunity for Public Comment**

Comments may be sent to Michele Phinney, Director of Office of Regulations and Policy Coordination, Department

of Health and Mental Hygiene, 201 W. Preston Street, or call 410-767-6499, or email to regs@dhhm.state.md.us, or fax to 410-333-7687. Comments will be accepted through September 5, 2006. A public hearing has not been scheduled.

**.19 MCO Reimbursement.**

A. (text unchanged)

B. Capitation Rate-Setting Methodology.

(1) — (3) (text unchanged)

(4) Except in the extent of adjustments required by §D of this regulation, or by Regulations .19-1 — .19-4 of this chapter, the Department shall make payments monthly at the rates specified in the following tables:

(a) — (c) (proposed to repeal)

(a) Rate Table for Families and Children  
Effective July 1, 2006 — December 31, 2006

Demographic Cells	Age	Gender	PMPM Baltimore City	PMPM Rest of State
	Under age 1 Birth Weight 1500 grams or less	Both	\$ 5,200.19	\$ 5,200.19
	Under age 1 Birth Weight over 1500 grams	Both	\$ 346.75	\$ 266.54
	1 — 5	Male	\$ 176.91	\$ 138.80
		Female	\$ 153.10	\$ 120.12
	6 — 14	Male	\$ 103.41	\$ 81.13
		Female	\$ 92.54	\$ 72.60
	15 — 20	Male	\$ 122.09	\$ 95.79
		Female	\$ 204.55	\$ 160.49
	21 — 44	Male	\$ 363.56	\$ 285.25
		Female	\$ 375.86	\$ 294.89
	45 — 64	Male	\$ 938.22	\$ 736.12
		Female	\$ 798.50	\$ 626.49
ACG — adjusted cells				
ACG 100, 200, 300, 500, 600, 1100, 1600, 2000, 2400, 3400, 5110, 5200	RAC1	Both	\$ 95.50	\$ 81.54
ACG 400, 700, 900, 1000, 1200, 1300, 1710, 1800, 1900, 2100, 2200, 2300, 2800, 2900, 3000, 3100, 5310	RAC2	Both	\$ 114.44	\$ 97.72
ACG 1720, 1730, 2500, 3200, 3300, 3500, 3800, 4210, 5230, 5339	RAC3	Both	\$ 144.30	\$ 123.21
ACG 800, 1740, 1750, 2700, 3600, 3700, 3900, 4000, 4100, 4220, 4310, 4410, 4510, 4610, 4710, 4720, 4810, 5340	RAC4	Both	\$ 236.33	\$ 201.79
ACG 1400, 1500, 1750, 1770, 2600, 4320, 4520, 4620, 4820	RAC5	Both	\$ 331.11	\$ 282.72
ACG 4330, 4420, 4830, 4910, 4920, 5010, 5020, 5040	RAC6	Both	\$ 520.96	\$ 444.83
ACG 4430, 4730, 4930, 5030, 5050	RAC7	Both	\$ 695.45	\$ 593.81
ACG 4940, 5060	RAC8	Both	\$ 1,097.41	\$ 937.03
ACG 5070	RAC9	Both	\$ 1,405.96	\$ 1,200.49

<i>Demographic Cells</i>	<i>Age</i>	<i>Gender</i>	<i>PMPM Baltimore City</i>	<i>PMPM Rest of State</i>
<i>SOBRA Mothers</i>			\$ 653.96	\$ 513.09
<i>Persons with HIV</i>	<i>All</i>	<i>Both</i>	\$ 811.95	\$ 811.95

(b) *Rate Table for Disabled Individuals*  
*Effective July 1, 2006 — December 31, 2006*

<i>Demographic Cells</i>	<i>Age</i>	<i>Gender</i>	<i>PMPM Baltimore City</i>	<i>PMPM Rest of State</i>
	<i>Under Age 1</i>	<i>Both</i>	\$ 2,221.28	\$ 2,221.28
	<i>1 — 5</i>	<i>Male</i>	\$ 647.11	\$ 647.11
		<i>Female</i>	\$ 716.58	\$ 716.58
	<i>6 — 14</i>	<i>Male</i>	\$ 162.82	\$ 162.82
		<i>Female</i>	\$ 262.62	\$ 262.62
	<i>15 — 20</i>	<i>Male</i>	\$ 351.54	\$ 351.54
		<i>Female</i>	\$ 431.64	\$ 431.64
	<i>21 — 44</i>	<i>Male</i>	\$ 1,267.95	\$ 994.83
		<i>Female</i>	\$ 1,186.82	\$ 931.17
	<i>45 — 64</i>	<i>Male</i>	\$ 1,667.84	\$ 1,308.58
		<i>Female</i>	\$ 1,597.12	\$ 1,253.09
<i>ACG — adjusted cells</i>				
<i>ACG 100, 200, 300, 1100, 1300, 1400, 1500, 1600, 1710, 1720, 1730, 1900, 2400, 2600, 2900, 3400, 5110, 5200, 5310</i>	<i>RAC10</i>	<i>Both</i>	\$ 249.89	\$ 213.37
<i>ACG 400, 500, 700, 900, 1000, 1200, 1740, 1750, 1800, 2000, 2100, 2200, 2300, 2500, 2700, 2800, 3000, 3100, 3200, 3300, 3500, 3900, 4000, 4310, 5330</i>	<i>RAC11</i>	<i>Both</i>	\$ 340.23	\$ 290.51
<i>ACG 600, 1760, 3600, 3700, 4100, 4320, 4410, 4710, 4810, 4820</i>	<i>RAC12</i>	<i>Both</i>	\$ 633.00	\$ 540.49
<i>ACG 3800, 4210, 4220, 4330, 4420, 4720, 4910, 5320</i>	<i>RAC13</i>	<i>Both</i>	\$ 733.46	\$ 626.26
<i>ACG 800, 4430, 4510, 4610, 5040, 5340</i>	<i>RAC14</i>	<i>Both</i>	\$ 952.96	\$ 813.69
<i>ACG 1770, 4520, 4620, 4830, 4920, 5050</i>	<i>RAC15</i>	<i>Both</i>	\$ 1,095.47	\$ 935.37
<i>ACG 4730, 4930, 5010</i>	<i>RAC16</i>	<i>Both</i>	\$ 1,400.38	\$ 1,195.72
<i>ACG 4940, 5020, 5060</i>	<i>RAC17</i>	<i>Both</i>	\$ 1,891.95	\$ 1,615.45
<i>ACG 5030, 5070</i>	<i>RAC 18</i>	<i>Both</i>	\$ 2,586.67	\$ 2,208.63
<i>Persons with AIDS</i>	<i>All</i>	<i>Both</i>	\$ 3,429.23	\$ 3,118.31
<i>Persons with HIV</i>	<i>All</i>	<i>Both</i>	\$ 2,056.89	\$ 2,056.89

(c) *Rate Table for Supplemental Payment for Delivery/Newborn*  
*Effective July 1, 2006 — December 31, 2006*

<i>Supplemental Payment Cells</i>	<i>Age / RAC</i>	<i>Gender</i>	<i>Baltimore City</i>	<i>Rest of State</i>
<i>Delivery/Newborn — live birth weight over 1,500 grams</i>	<i>All</i>	<i>Both</i>	\$12,416.94	\$9,661.26
<i>Delivery/Newborn — live birth weight 1,500 grams or less</i>	<i>All</i>	<i>Both</i>	\$78,860.60	\$64,726.15

- (d) — (g) (text unchanged)
- (5) (text unchanged)
- C. — D. (text unchanged)

S. ANTHONY McCANN  
Secretary of Health and Mental Hygiene

**Subtitle 12 ADULT HEALTH**

**10.12.04 Day Care for the Elderly and Adults with a Medical Disability**

Authority: Health-General Article, §§2-104, 14-206, and 14-304, Annotated Code of Maryland

**Notice of Proposed Action**  
[05-344-R]

The Secretary of Health and Mental Hygiene proposes to repeal existing Regulations .01 — .12 in their entirety and to adopt new Regulations .01 — .52 under COMAR 10.12.04 Day Care for the Elderly and Adults with a Medical Disability. Because substantive changes have been made to the original proposal as published in 32:26 Md. R. 2030 — 2045 (December 23, 2005), this action is being repropose at this time.

**Statement of Purpose**

The purpose of this action is to update licensure requirements to achieve quality care and safe outcomes for adult day care service participants, establish a license fee, and reorganize the chapter for ease of reading and interpretation. This reproposal contains the following changes to the original proposal:

- (1) Regulation .02. The term "Prelicensure visit" is added.
- (2) Regulation .04. Several changes are made regarding the license fee and other licensing requirements.
- (3) Regulation .06. Several changes are made regarding requirements for keeping records and reports.
- (4) Regulation .09. Several changes are made regarding requirements for notice to participants and minimum daily hours of service provided to participants.
- (5) Regulation .10. A change is made to permit exceptions to the requirements regarding a preadmission assessment of a prospective participant.
- (6) Regulation .13. Several changes are made regarding the requirements for the number and types of staff and their qualifications. Terminology is also changed.
- (7) Regulation .14. Several changes are made regarding the requirements for the observation of participants and for an emergency plan. Also, the requirement regarding the presence of a staff member trained in first aid and CPR is deleted because it is duplicative of language contained in proposed COMAR 10.12.04.18.
- (8) Regulation .16. A change is made regarding the review and updating of medication orders. Terminology is also changed.
- (9) Regulation .18. The requirement regarding the presence of a staff member trained in first aid and CPR is modified.
- (10) Regulation .19. Several changes are made regarding providing a participant with food that meets a percentage of the recommended dietary allowance of the Food and Nutrition Board of the National Research Council.

(11) Regulation .20. A change is made regarding the requirement for how often a comprehensive assessment must be completed.

(12) Regulation .23. Several changes are made regarding the requirement that a written notice of discharge be issued to the participant or the participant's responsible party.

(13) Regulation .26. A change is made regarding the requirement that a center shall maintain medical confirmation that a staff member is free from tuberculosis in a communicable form.

(14) Regulation .27. A citation to a nonexistent regulation is deleted. Also, a change is made regarding the requirement that a participant may not be left in a vehicle when staff is not present.

(15) Regulation .29. A change is made regarding the required condition of furniture.

(16) Regulation .31. A change is made regarding the requirement for hand-washing facilities.

(17) Regulation .45. A change is made regarding the criteria for banning new admissions.

(18) Regulation .47. Several changes are made regarding the maximum amounts of civil money penalties that may be imposed.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

**I. Summary of Economic Impact.** A 2-year license fee has been established for all adult day care centers at \$200 plus \$12 per participant.

II. Types of Economic Impact		Revenue (R+/R-)	Expenditure (E+/E-)	Magnitude
A. On issuing agency:				
(1) 2-year operating expenses		(E+)		\$115,226
(2) 2-year license fee revenue		(R+)		\$130,348
(3) Civil money penalties		(R+)		\$32,000
B. On other State agencies:		NONE		
C. On local governments:		NONE		
D. On regulated industries or trade groups:		Benefit (+) Cost (-)		
(1) 2-year license fee		(-)		\$130,348
(2) Administrative costs		(-)		Indeterminate
(3) Civil money penalties		(-)		\$32,000
E. On other industries or trade groups:		NONE		
F. Direct and indirect effects on public:		NONE		
<b>III. Assumptions.</b> (Identified by Impact Letter and Number from Section II.)				
A(1). The Department's 2-year operating costs include salaries, Statewide travel to conduct inspections, supplies, and equipment for two health facility surveyor nurses.				